

**Lam Research Corporation**

**Corporate Governance Guidelines**

As amended through May 14, 2015

**LAM RESEARCH CORPORATION  
CORPORATE GOVERNANCE GUIDELINES**

The Board of Directors (the “Board”) of Lam Research Corporation (the “Company”) has adopted the following Corporate Governance Guidelines (the “Guidelines”) to assist the Board in exercising its responsibilities. These Guidelines reflect the Company’s commitment to building long-term stockholder value with an emphasis on corporate governance. These Guidelines are not intended to change any Federal or state law or regulation applicable to the Company, including the Delaware General Corporation Law, the Certificate of Incorporation or Bylaws of the Company or any rule or regulation of any stock exchange. The Board reserves the right to modify these Guidelines from time to time as it deems necessary or advisable.

**A. BOARD COMPOSITION**

**1. Selection of Chair of the Board and Chief Executive Officer**

The Board is free to choose its Chair in any manner that is in the best interests of the Company at the time. The roles of the Chief Executive Officer and Chair of the Board may be separate. The Board may also designate a Vice Chair of the Board to support the Chair and to step in immediately should the Chair be absent for any reason. The Board may also designate an independent director who acts as a Lead Independent Director.

**2. Size of the Board**

The number of directors shall be fixed from time to time within a range set forth in the Bylaws of the Company by the Board pursuant to a resolution adopted by the Board, provided that no reduction of the authorized number of directors shall have the effect of removing any director before that director’s term of office expires.

**3. Selection of New Directors**

The Nominating and Governance Committee is responsible for identifying, screening and evaluating candidates for Board membership and for recommending to the independent directors of the Company nominees for election as directors of the Company at the next annual or special meeting of stockholders at which directors are to be elected, and for identifying, screening, evaluating and recommending to the Board individuals to fill any vacancies or newly created directorships that may occur between such meetings, in each case in accordance with the criteria set forth in these Guidelines. When considering its recommendations, the Nominating and Governance Committee shall also consider the advice and recommendations of its Chief Executive Officer and the stockholders of the Company.

**4. Election of Directors; Tender of Resignations**

In accordance with the Company’s Bylaws, the voting standard in an uncontested board election will be majority voting; thus, a board nominee must receive more votes cast for than against his or her election or re-election in order to be elected or re-elected to the Board. However, a plurality voting standard will apply in any contested election, as defined in the Company’s bylaws.

The Board expects a director to tender his or her irrevocable resignation if he or she fails to receive the required number of votes for re-election in an uncontested election or if he or she is not renominated by the Board for re-election. The Board shall nominate for election or re-election as director only candidates who agree to tender, promptly following the annual meeting at which they are elected or re-elected as directors, irrevocable conditional resignations that will be effective upon (i) the failure to receive the required majority vote at an annual meeting at which they face re-election and (ii) Board acceptance of such resignation. In addition, the Board shall fill director vacancies and new directorships only with candidates who agree to tender, promptly following their appointment to the Board, the same form of contingent resignation tendered by other directors in accordance with these Guidelines.

If an incumbent director fails to receive the required majority vote for re-election, the Nominating and Governance Committee will act on an expedited basis to determine whether to accept the director's resignation and will submit such recommendation for prompt consideration by the Board. The Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding that resignation. The Nominating and Governance Committee and the Board may consider any factors they deem relevant in deciding whether to accept a director's resignation.

## **5. Board Membership Criteria**

The Nominating and Governance Committee is responsible for assessing the appropriate balance of experience, skills and characteristics required for the Board.

In evaluating director-nominee candidates, the Nominating and Governance Committee shall consider all factors it considers appropriate. The Nominating and Governance Committee need not consider all of the same factors for every candidate. Factors to be considered may include, but shall not be limited to: experience; business acumen; wisdom; integrity; judgment; the ability to make independent analytical inquiries; the ability to understand the Company's business environment; the candidate's willingness and ability to devote adequate time to Board duties; diversity with respect to any attribute(s) the Board considers appropriate, including geographic, gender, age and ethnic diversity; specific skills, background or experience considered necessary or desirable for Board or committee service; specific experiences with other businesses or organizations that may be relevant to the Company or its industry; and the interplay of a candidate's experiences and skills with the experiences and skills of other Board members. Prior to nominating an incumbent non-employee director for re-election to the Board, the Nominating and Governance Committee shall review the experiences, skills and qualifications of the director to assess the continuing relevance of the director's experiences, skills and qualifications to those considered necessary or desirable for the Board at that time.

No director may serve on more than a total of four boards of directors of public companies (including service on the Company's Board).

A director seeking to serve on another Board should notify the Chair in advance of accepting such service and should defer final acceptance of such a position until advised by the Chair or the Company's legal counsel that such service does not present legal or other serious problems for the Company.

Each director is expected to own at least the lesser of five times the value of the annual cash retainer (not including any committee chair or other supplemental retainers) for directors or 5,000 shares of company stock by the later of the fifth anniversary of such director's initial election to the Board or November 6, 2012.

Directors are expected to participate in educational activities sufficient to maintain their understanding of their duties as directors and to enhance their ability to fulfill their responsibilities. The board leadership is expected to facilitate such participation by arranging for appropriate educational content to be incorporated into regular meetings of the board and committees.

## **6. Percentage of Independent Directors on Board**

Independent directors shall constitute at least a majority of the Board.

## **7. Board Definition of Director Independence.**

In order to be independent directors of the Company, directors must meet the criteria for director independence established by the principal stock exchange or quotation service on which the Company's shares are listed or quoted. No director will qualify as "independent" unless the Board affirmatively determines that the director has no relationship that would interfere with the exercise of independent judgment as a director.

## **8. Chair of the Board**

The Chair shall perform the following duties in addition to any specified in the Bylaws of the Company:

- Prepare the agenda for the Board meetings with input from the Chief Executive Officer, the Board and the committee Chairs;
- Upon invitation, attend meetings of any of the Board committees on which he or she is not a member;
- If the Chair is not also the Chief Executive Officer, convey to the Chief Executive Officer, together with the Chair of the Compensation Committee, the results of the Chief Executive Officer's performance evaluation; and
- Review proposals submitted by stockholders for action at meetings of stockholders and, depending on the subject matter, determine the appropriate body, among the Board or any of the Board committees, to evaluate each proposal and make recommendations to the Board regarding action to be taken in response to such proposal.

In performing the duties described above, the Chair of the Board is expected to consult with the Vice Chair (if any), Lead Independent Director (if any), and Chairs of the appropriate Board committees, and solicit their participation in order to avoid diluting the authority and responsibilities of such committee Chairs.

The Vice Chair shall perform these duties in the absence of the Chair, provided that if the Vice Chair is the Chief Executive Officer, the duties shall be modified accordingly.

## **9. Lead Independent Director**

If there is a Lead Independent Director, the Lead Independent Director is responsible for coordinating the activities of the independent directors. The specific responsibilities of the Lead Independent Director are as follows:

- Consult with the Chair as to an appropriate schedule of Board meetings, seeking to enable independent directors to perform their duties responsibly while not interfering with the flow of Company operations;
- Provide the Chair with input as to the preparation of the agendas for the Board;
- Consult with the Chair as to the quality, quantity and timeliness of the flow of information from Company management;
- Consult with the Chair regarding the retention of consultants who report directly to the Board;
- Coordinate and develop the agenda for and moderate executive sessions of the Board's independent directors; and
- Convey to the Chief Executive Officer, as appropriate, discussions from executive sessions of the Board's independent directors.

## **10. Retirement from the Board**

No director, after having attained the age of 75 years, shall be nominated for re-election or reappointment to the Board. This shall be considered retirement from the Board for purposes of company equity and benefit plans.

## **11. Directors Who Change Their Present Job Responsibility**

Each executive officer of the Company, who serves on the Board, shall offer to submit a resignation to the Board at the time such officer ceases to be an executive officer of the Company.

A non-employee director who retires from an executive position at an outside company or changes the position he or she held when elected to the Company's Board does not necessarily have to leave the Board, but must notify the Nominating and Governance Committee of such change. Upon being notified of any such changes in position, the Nominating and Governance Committee will review the appropriateness of continued Board membership under the circumstances and the affected director will be expected to act in accordance with the Nominating and Governance Committee's recommendation.

## **12. Term Limits**

The Board has not established term limits for Board members. In connection with each director nomination recommendation, the Nominating and Governance Committee will consider the issue of continuing director tenure.

## **13. Board Compensation**

The Company's executive officers shall not receive additional compensation for their service as directors.

Compensation for non-employee directors will be set by the Board, and should allow the Company to recruit and retain qualified directors with the background and skills necessary for membership on the Company's Board. The principles for setting the form and amount of such compensation shall be reviewed from time to time by the Compensation Committee which shall make recommendations to the Board.

Audit Committee members may not accept any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries, other than in the members' capacity as members of the Company's Board and any Board committee.

No non-employee director may serve as a consultant or service provider to the Company without the approval of a majority of the independent directors. If approval is granted, the Board must make an assessment of the independence of the director.

## **B. FUNCTIONING OF THE BOARD**

### **1. Frequency of Meetings**

There will be at least four regularly scheduled meetings of the Board each year.

Each director is expected to attend no fewer than 75 percent of the total of all Board meetings and meetings of committees on which he or she serves.

Unless required by illness or other extenuating circumstances, each director is expected to participate at regular Board and committee meetings in person.

### **2. Regularly Scheduled Sessions of Independent Directors**

At every regular meeting of the Board, the Board will schedule a meeting of the independent directors without non-independent directors or management present.

### **3. Selection of Agenda Items for Board Meetings; Meeting Materials**

The Chair of the Board, in consultation with the Lead Independent Director, if any, shall annually prepare a "Board of Directors Master Agenda." This Master Agenda shall set forth a general agenda of items to be considered by the Board at each of its regularly scheduled meetings during the year. A copy of the Master Agenda shall be provided to the entire Board.

In advance of each Board meeting, an agenda for such meeting will be sent to each director. In addition, before each regularly scheduled Board meeting, draft minutes of the most recent Board meeting and of any committee meetings held since the distribution of materials for the most recent Board meeting will be sent to each director. Also, at such regularly scheduled Board meetings where quarterly financial performance of the Company is to be discussed, summary financial information needed to understand the performance of the Company will be presented to each director. Each Board member shall be free to suggest additional agenda items for a Board meeting or to raise at any Board meeting subjects that are not specifically on the agenda for consideration at subsequent meetings.

#### **4. Board Evaluation**

At least once every two years, the Nominating and Governance Committee shall oversee a self-evaluation of the Board and the individual directors and, to the extent the Board requests, the Board committees in accordance with these Guidelines and the committee charters.

#### **5. Board Contact with Senior Management**

Board members shall have direct access to management. Board members shall use sound business judgment in recognition that such contact may distract management from performing its duties. As a courtesy to the Chief Executive Officer, Board members generally should inform the Chief Executive Officer of any meeting other than in connection with their normal duties, such as in their capacity as Chair of the Audit Committee regarding communications with finance, internal audit, and compliance executives. In addition, they should send an agenda to the management member prior to the meeting.

Furthermore, the Board encourages the Chief Executive Officer to bring managers into Board meetings, from time to time, who can: (a) provide additional insight concerning the items being discussed because of personal involvement in these areas, and/or (b) represent managers with future potential that the Chief Executive Officer believes should be given exposure to the Board.

#### **6. Stockholder Communications with the Board**

Any stockholder who wishes to communicate directly with the Board, with any Board committee or with any individual director regarding the Company may write to the Board, the committee or the director c/o the Secretary, Lam Research Corporation, 4650 Cushing Parkway, Fremont, California 94538. The Secretary will forward all such communications to the appropriate director(s).

Any stockholder, employee, or other person may communicate any complaint regarding any accounting, internal accounting control, or audit matter to the attention of the Board's Audit Committee by sending written correspondence by mail (to Lam Research Corporation, Attention: Board Audit Committee, P.O. Box 5010, Fremont, California 94537-5010) or by the internet (through the Company's third party provider web site at <https://secure.ethicspoint.com/domain/media/en/gui/35911/index.html>). The Audit Committee has established procedures to ensure that employee complaints or concerns regarding audit or accounting matters will be received and treated anonymously (if the complaint or concern is submitted anonymously) and confidentially.

## **7. Board Interaction with Stockholders, Press and Other Constituencies**

It is the policy of the Company that management speaks for the Company. This policy does not preclude non-employee directors, including the Chair of the Board (if the Chair is a non-employee director) or the Lead Independent Director, from communicating with stockholders, the press or other constituencies, but it is suggested that in most circumstances any such communications be made with management present.

In order for director engagement to be effective, directors should coordinate any such communication in advance with the full Board and with the Chief Executive Officer (if not a member of the Board), including discussing the purpose of the engagement and topics for discussion. In all cases, communications should comply with Company policies relating to Regulation FD. Except in rare cases where confidentiality from management is deemed appropriate, if management is not present in the discussion, directors should promptly review with the Chief Executive Officer the matters that were discussed.

## **8. Board Access to Independent Advisors**

The Board has complete authority to retain and terminate such independent consultants, counselors or advisors to the Board as it shall deem necessary or appropriate, at the expense of the Company, including determining the fees and other terms of such retentions or terminations.

## **9. Director Attendance of Annual Meeting**

Directors are expected to attend the Company's annual stockholders meetings.

## **C. COMMITTEE MATTERS**

### **1. Number and Names of Board Committees**

The Company shall have three standing committees: Audit, Compensation and Nominating and Governance. The duties of these committees shall be set forth in their charters or in a resolution of the Board or the Bylaws of the Company. The Board may consider or form a new committee or disband a current committee depending on circumstances and good business practices.

### **2. Independence of Board Committees**

Independent directors shall chair all standing Board committees. The Audit Committee, Nominating and Governance Committee, and Compensation Committee shall be composed entirely of independent directors. In addition, the Audit Committee shall be composed of independent directors that possess such accounting and financial expertise as the principal stock exchange or quotation service on which the Company's shares are listed or quoted shall require.

### **3. Assignment and Rotation of Committee Members**

The Nominating and Governance Committee shall be responsible, after consultation with the Chair of the Board and the Lead Independent Director, if any, for making recommendations to the Board with respect to the assignment of Board members to various committees. After

reviewing the Nominating and Governance Committee's recommendations, the Board shall be responsible for appointing the Chairs and members to the committees.

The Nominating and Governance Committee shall review committee assignments from time to time and shall consider the rotation of Chairs and members with a view toward balancing the benefits derived from the diversity of experience and viewpoints of the various directors.

## **D. OTHER**

### **1. Code of Business Conduct.**

The Nominating and Governance Committee shall cause to be prepared and adopted, and shall amend or cause to be amended from time to time as appropriate, a code of ethics and/or conduct meeting legal requirements and the requirements of the principal stock exchange or quotation service on which the Company's shares are listed or quoted.

### **2. Conflicts of Interest.**

Directors are expected to avoid activities or interests that conflict with the interests of the Company. If a director becomes aware that he or she has a conflict of interest with the Company or that he or she is likely to have a conflict of interest with the Company in the foreseeable future, the director should promptly report the matter to the Corporate Secretary, who will inform the Board, the independent directors, the Audit Committee or the Nominating and Governance Committee, as appropriate. The affected director will be expected to act in accordance with the decision of the Board, independent directors or Board committee, as applicable.

If a director has a personal, business or professional interest in a matter before the Board, the director must disclose the interest to the Board and, if so directed by the Board, will be expected to excuse himself or herself from participating in discussion of and voting on the matter.

### **3. Confidentiality.**

Directors are expected to refrain from disclosing not only material non-public information, but also information about confidential Board deliberations. The Board expects each director to enter into a confidentiality agreement with the Company in the form attached to these Guidelines as Exhibit A.

\* \* \*

These Corporate Governance Guidelines were adopted by the Board on April 21, 2003, and subsequently amended by the Board on November 2, 2005, May 15, 2009, November 5, 2009, May 20, 2010, May 18, 2011, August 29, 2011, June 2, 2012, August 28, 2012, May 17, 2013, May 15, 2014, November 7, 2014 and May 14, 2015.

**EXHIBIT A**  
**FORM OF**  
**CONFIDENTIALITY AGREEMENT**

This agreement is between [●], an individual (“Recipient”), and Lam Research Corporation, a Delaware corporation, having offices at 4650 Cushing Parkway, Fremont, California 94538 on behalf of itself and its subsidiaries (collectively, the “Company”).

WHEREAS Recipient has been appointed or elected to the Board of Directors of the Company (the “Board”).

WHEREAS Recipient is expected to regularly receive confidential, proprietary, privileged and/or material non-public information regarding the Company’s business in order to permit Recipient to fulfill Recipient’s duties as a member of the Board (the “Purpose”):

NOW THEREFORE in consideration of the covenants herein contained, the parties agree as follows:

1. As used herein "Proprietary Information" mean any information, communication or data in any form regarding the Company or its business, including, without limitation, its financials, products, operations, Board deliberations and discussions, plans, customers, suppliers and strategy provided to Recipient orally or in writing by or on behalf of the Company or any agent or representative of the Company or to which the Recipient has access by way of inspection or observation by reason of the parties' relationship, together with any notes, analyses, reports, models, studies, interpretations, documents or records containing, referring to, based upon or derived from such information, communication or data. Proprietary Information, as may be embodied in any form, is subject to the terms of this Agreement.

2. Recipient may use the Proprietary Information provided pursuant to this Agreement solely for the Purpose. Recipient will not disclose Proprietary Information to any third party, including, without limitation and for the avoidance of doubt, any stockholder who may have nominated Recipient or for whom Recipient serves as designee on the Board, without the prior written approval of the Company. Proprietary Information may be exchanged by or through Recipient’s personal administrative assistant(s), on an as-needed basis to further the Purpose. Recipient will instruct Recipient’s administrative assistant(s) on Recipient’s obligations and requirements under this Agreement, and will be responsible for any breach of those obligations and requirements by Recipient's administrative assistant(s).

3. All Proprietary Information which has been or will be disclosed by or on behalf of the Company or any agent or representative of the Company to the Recipient in connection with the Purpose shall be deemed proprietary and subject to the terms of this Agreement unless specifically documented in writing by the Company that said information, communication or data is non-proprietary.

4. The obligations imposed by this Agreement will not apply with respect to any Proprietary Information after Recipient can demonstrate that such Proprietary Information (a) has been later publicly disclosed by the Company or otherwise made generally available to the public, through no fault of the Recipient or of any stockholder who may have nominated Recipient or for whom Recipient serves as designee on the Board, and without breach of this Agreement or any Agreement between the Company and/or Recipient and such stockholder; or (b) required to be disclosed by Recipient pursuant to order of a court of competent jurisdiction, provided that the Recipient notifies the Company of such order at the earliest opportunity to allow the Company to contest such disclosure.

5. No license, title or right with respect to any Proprietary Information is granted by the Company to the Recipient under any patents, patent applications, trademarks, copyrights or trade secrets.

6. This Agreement shall be governed by the laws of the State of Delaware and any suit brought by either party against the other party for claims arising out of this Agreement will be brought in the federal and/or state courts sitting therein.

7. It is understood and agreed that no failure or delay by the Company in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege hereunder.

8. Recipient acknowledges that the value of the Proprietary Information to the Company is unique and substantial, but may be impractical or difficult to assess in monetary terms. In the event of an actual or threatened violation of this letter agreement, in addition to any and all other remedies which may be available to the Company, Recipient expressly consents to the Company's seeking the enforcement of this Agreement by injunctive relief or specific performance, without proof of actual damages or posting of a bond.

9. Upon the written request and instruction of the Company, all Proprietary Information in the possession of the Recipient shall be returned to the Company; provided, however, that notwithstanding the foregoing, Recipient may retain for compliance and record retention purposes only Proprietary Information required to comply with applicable law or regulation. Recipient shall confirm in writing such return or destruction within 15 business days of request by the Company.

10. This Agreement constitutes the entire agreement between the parties with respect to the disclosure(s) of Proprietary Information. Any amendments to this Agreement must be in writing and executed by each party.

IN WITNESS WHEREOF this Agreement has been duly executed by the parties hereto to effective as of the date signed by Recipient:

RECIPIENT:

LAM RESEARCH CORPORATION

By: \_\_\_\_\_  
Name

By: \_\_\_\_\_  
Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date